97-84029-22

Moore, John Bassett

Diplomacy and its relation to foreign trade

[Washington]

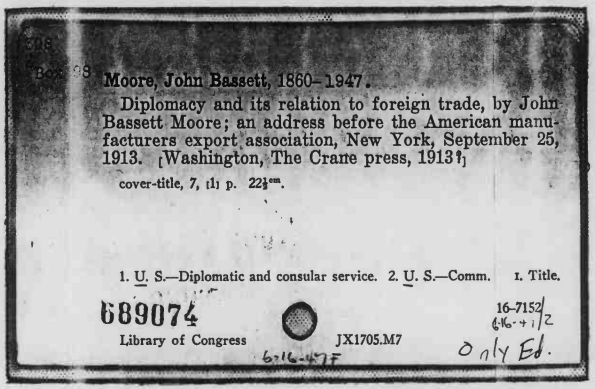
[1913?]

97-84029-22
MASTER NEGATIVE #

COLUMBIA UNIVERSITY LIBRARIES
PRESERVATION DIVISION

BIBLIOGRAPHIC MICROFORM TARGET

ORIGINAL MATERIAL AS FILMED - EXISTING BIBLIOGRAPHIC RECORD



Moore, John Bassett, 1860-1947.

Diplomacy and its relation to foreign trade, by John Bassett Moore; an address before the American manufacturers export association, New York, September 25, 1913. [Washington, The Crane press, 1913?]

cover-title, 7, [1] p. 22½cm.

1. U. S.—Diplomatic and consular service. 2. U. S.—Comm. I. Title.

689074

Library of Congress JX1705.M7

16-7152

Only Ed.

RESTRICTIONS ON USE: *Reproductions may not be made without permission from Columbia University Libraries.*

TECHNICAL MICROFORM DATA

FILM SIZE: 35 mm REDUCTION RATIO: 11:1 IMAGE PLACEMENT: IA (IIA) IB IIB

DATE FILMED: 2-27-97 INITIALS: MS

TRACKING # : 22013

FILMED BY PRESERVATION RESOURCES, BETHLEHEM, PA.

308
Z
Box 98

Diplomacy and Its Relation to Foreign Trade

BY

JOHN BASSETT MOORE

An address before the
American Manufacturers Export Association,
New York, September 25, 1913.

Feb 6, 1923

DIPLOMACY AND ITS RELATION TO FOREIGN TRADE

—o—

The general public has little opportunity to observe the extent to which diplomacy is concerned with matters of foreign trade. There exists a widespread impression that the duties of diplomatists are chiefly social, and that their activities in the social sphere are purely ornamental. To this impression, so far as it may imply that our diplomats furnish to society "the glass of fashion and the mould of form," I am not disposed to object; but, so far as it may imply that their activities are wanting in serious design and practical usefulness, it is altogether to be deprecated. A diplomatic representative, if he would gain information and acquire influence, must be socially active and socially agreeable, and with firmness, must blend conciliation. But if we abandon our attitude of superficial observation, and inquire closely for the object to the attainment of which he is devoting the hours spent in the drawing room as well as in his chancellery, the chances are ten to one that he is concerned with the solution of some question of commercial intercourse—with the removal of some obstruction to the exchange of commodities, the amelioration of some onerous rate of duty, or the unraveling of a knot tied at the custom house. Behold, then, the proud practitioner of the art of diplomacy, the aloof embodiment of its aristocratic traditions, in his actual rôle of an agent of trade, concerned not with the philosophy of Machiavelli, the policy of Richelieu, the etiquette of Kaunitz and the craft of Talleyrand, but with scissors, needles and knives, collars, cuffs and stockings, raisins, currants and bananas, and the thousand and one other humdrum but essential things that enter into our ordinary daily life! And if you should think the picture overdrawn, I would suggest that you consult any member of the diplomatic corps at a capital where, for instance, a general revision of the tariff has been under way.

In the case of the United States, with its detachment from foreign dynastic and political interests, it is not strange that the proportion of its commercial negotiations has been unusually large. The first plan of a treaty ever adopted by the United States—a plan drawn up in and approved by the Continental Congress—was that of a treaty of commerce. And this only foreshadowed what was to come, for the first treaty ever actually made by the United States was a treaty of commerce. On a memorable day, the 6th of February, 1778, two treaties were concluded between France and the United States, at Paris, and each of them bears, at the head of the list of American signers, the immortal name of Franklin, who, in the wide sweep of his philosophy, was too profound to overlook the importance of practical things. These treaties constituted the first consummate fruit of American diplomacy. One was a treaty of alliance; the other, a treaty of commerce; but the treaty of commerce held the place of honor, being first signed. Four years later a treaty of commerce was concluded with the Netherlands—the second signal achievement of American diplomacy. This treaty bore the illustrious name of John Adams.

When, not long afterwards, a preliminary peace was concluded with the Mother Country, a strenuous effort was made by the United States to effect a commercial arrangement. Nine months were spent in a fruitless discussion, but the preliminary peace became definitive without the addition of any distinctive commercial clauses. The results were most unfortunate.

The anxiety of the United States for commercial agreements with the other nations was intensified by the unfavorable position in which the new Republic then stood. The loss, as the result of independence, of the highly important trade which had previously been carried on with the British West Indies, was felt with especial keenness. With that unfeeling candor which is supposed to be a proof of truthfulness, our historians tell us that our ancestors were imperfect, and that, even when they were imposing upon themselves the renunciation of the

slave trade at a future day, they longed to continue to enjoy the delights, gustatory as well as financial, of the exchange of Northeastern dried fish for West India rum. I mention this merely as an illustration, even though it be of melancholy import, of the lengths to which they were willing to go. But they scanned the horizon in every direction for commercial opportunities; and the diplomacy of the Government energetically and joyfully kept pace with them. In Europe, in Africa, and later in the independent countries of America, negotiations were strenuously carried on with a view to the removal of discriminations and the extension of our trade. In the Barbary States, diplomacy was aided by the navy in liberating commerce from burdensome exactions. In the far East the Government of the United States in notable instances led the way in removing the obstructions to the opening up of a beneficial intercourse.

Nor have the activities of our diplomacy in matters of trade grown less important with the lapse of time. In the latter part of the past century, after twenty years' stimulation of manufactures under a highly protective tariff, it became evident even to strong protectionists that we must eventually look abroad for markets for our wares, the production of which must come more and more to exceed the demands of the home market. In these circumstances statesmen began to recur to the venerable principle of reciprocity, which was indeed sometimes hailed as a new invention, and to advocate the conclusion of special trade agreements. A limited provision to this effect was at length inserted in the general tariff Act of 1890, and cognate clauses may be found in succeeding measures of a similar character.

The new tariff bill forms no exception. On the contrary, for the purpose, as the bill declares, of readjusting the present duties on importations and of "encouraging the export trade of this country," the President is "empowered to negotiate," subject to the approval of Congress, "trade agreements with foreign nations wherein mutual concessions are made looking toward freer trade relations and further reciprocal expansion of trade and

commerce." And following this clause there are provisions which elaborate in much detail the plan on which the negotiations are to be conducted and the conditions on which the proposed agreements are to be founded. In the execution of these provisions it is evident that there still is important, highly important, service for the Department of State to render in adding to the number of our trade agreements.

Up to the present time the Department of State has negotiated or supervised the negotiation of upwards of two hundred treaties and agreements relating in one form or another directly to our foreign trade. These formal arrangements represent, however, but a small portion of its labors in relation to commerce. For the most part sealed up in its archives there is the vast mass of non-spectacular correspondence, rapidly accumulating day by day, concerning the questions that constantly arise, not only as to the interpretation of commercial agreements, general and special, but also as to matters not specifically regulated by international convention.

I have so far dwelt exclusively upon the diplomatic aspects of my subject, both because they are exceedingly important and also because their importance is not generally appreciated. On the consular side, the popular understanding is more fully informed; and in consequence of this fact, and of the great influence which our commercial organizations have been able to bring to the aid of intelligent statesmanship, our consular service has eventually been placed on the sound basis of merit and efficiency. This end was not attained without a long, arduous and fluctuating struggle. The contest was carried on through many years, with varying interest and varying fortunes; but there is reason to hope and to believe that the victory for merit and efficiency was substantially and finally won when by the Act of Congress of April 5, 1906, followed by the Executive Order of June 27, 1906, the whole consular service was classified and placed under a systematic administration, while salaries were substituted for fees, and appointments to the

service and promotions in it were regulated by appropriate rules. I can testify from personal observation to the improvement wrought in the service by combining security of tenure with hope.

The great advance thus made has now stood the test of a change of Administration involving a change of parties, and the country is to be congratulated on the result. On the 16th of June last the Secretary of State, by authority of the President, issued to the press the following statement:

"The Civil Service was, by an Executive Order issued June 27th, 1906, extended to the Consular Service, and the President is entirely in sympathy with the purpose which the order was intended to subserve. He believes that consular appointments should be made upon examination, and that promotions should be made upon merit. If vacancies occur they will be filled from within the service, where this can be done without injury to the service. If a vacancy occurs in one of the higher positions and he does not at the time find within the service a person entirely qualified to fill such position, he will feel at liberty to exercise the right vested in him to suspend the Executive Order in respect to that particular appointment, but such an appointment will be an exception to the rule, and will be made only when he is convinced that the good of the service clearly requires such an exception."

The precise intention of this statement has been exemplified by the nominations of consuls which have lately been confirmed by the Senate. These nominations consisted in the main of promotions based strictly on merit, while the three new appointees were men who qualified by examination during the last preceding administration. And it is worthy of remark that the highly coveted post of consul-general at Paris was filled by the transfer of the consul-general at Berlin.

The important aid rendered to our foreign trade by the Department of State through the consular service is recognized the world over. The monthly publication of

consular trade reports, begun in 1880, proved to be of great value to our merchants and manufacturers, and was soon imitated by various foreign governments. In 1898, under the advice and management of my old friend, the late Frederic Emory, as chief of the then existing Bureau of Foreign Commerce of the Department of State, there was begun the daily publication of consular and trade reports which is now continued by the Bureau of Foreign and Domestic Commerce of the Department of Commerce. Some conception of the extent to which information is published and distributed in this way may be derived from certain concrete facts furnished me by Mr. Wilbur J. Carr, the experienced and accomplished Director of our Consular Service. It appears that during the past year there were issued 306 numbers of daily consular and trade reports, comprising 6,528 pages of printed matter, as against 5,888 for the preceding year; and it is, I believe, universally admitted that, since the reorganization of the service in 1906, the reports of our consuls have been far more comprehensive, practical and valuable than they were before. These published reports do not, however, represent all that is done, or, in some cases, the most important work that is done for the development of our foreign trade. Since 1906 our consuls have been urged to report concrete opportunities for the sale of American products abroad, and they have done so on a large and steadily increasing scale. Our diplomatic officers have also been active in tasks of this kind. The results are known and appreciated.

It has sometimes been suggested that the Consular Service, being so largely concerned with matters of trade, should be separated from the Department of State and placed under the control of some other Department, as, for example, that of the Treasury or of Commerce. This suggestion has, I think, been made without due reflection; and if it should ever be seriously urged I would advise the members of this Association to cast their influence against it, even if the result of its adoption would be temporarily to place the service under the control of one so exceptionally versed in the theories and facts of international trade

as your honored ex-president, the present able and accomplished head of the Department of Commerce. (Great applause.) For consuls are not alone agents of commerce. They have also important political functions. They have duties to perform in connection not only with shipping and seamen, with the authentication of documents, and with notarial acts, but also with the issuance of passports, and with the protection of citizens and their property abroad, as, for example, in Mexico and China at the present moment. Sometimes their position is semi-diplomatic, and in various countries they discharge judicial functions. Neither in the case of consuls nor in that of diplomatic representatives is it possible definitely to separate their commercial from their political activities. The tendency is on the contrary towards the closer identification of these functions. In the French foreign office, which pursues commercial questions with great energy, persistence and intelligence, the commercial department, which formerly maintained a separate existence, has been merged with the political, under the supervision of the Political Director.

Our diplomatic representatives and our consuls constitute together our foreign service. Their interests are not diverse, but are co-operative; and as the complementary parts of an entire and harmonious organization for the promotion and conservation of our interests abroad, they are necessarily under the supervision and control of our foreign office, the Department of State, which, as the special guardian of our external affairs, must ever exercise a watchful care over our commercial interests and particularly over the development and extension of our export trade. (Applause.)

consular trade reports, begun in 1880, proved to be of great value to our merchants and manufacturers, and was soon imitated by various foreign governments. In 1898, under the advice and management of my old friend, the late Frederic Emory, as chief of the then existing Bureau of Foreign Commerce of the Department of State, there was begun the daily publication of consular and trade reports which is now continued by the Bureau of Foreign and Domestic Commerce of the Department of Commerce. Some conception of the extent to which information is published and distributed in this way may be derived from certain concrete facts furnished me by Mr. Wilbur J. Carr, the experienced and accomplished Director of our Consular Service. It appears that during the past year there were issued 306 numbers of daily consular and trade reports, comprising 6,528 pages of printed matter, as against 5,888 for the preceding year; and it is, I believe, universally admitted that, since the reorganization of the service in 1906, the reports of our consuls have been far more comprehensive, practical and valuable than they were before. These published reports do not, however, represent all that is done, or, in some cases, the most important work that is done for the development of our foreign trade. Since 1906 our consuls have been urged to report concrete opportunities for the sale of American products abroad, and they have done so on a large and steadily increasing scale. Our diplomatic officers have also been active in tasks of this kind. The results are known and appreciated.

It has sometimes been suggested that the Consular Service, being so largely concerned with matters of trade, should be separated from the Department of State and placed under the control of some other Department, as, for example, that of the Treasury or of Commerce. This suggestion has, I think, been made without due reflection; and if it should ever be seriously urged I would advise the members of this Association to cast their influence against it, even if the result of its adoption would be temporarily to place the service under the control of one so exceptionally versed in the theories and facts of international trade

as your honored ex-president, the present able and accomplished head of the Department of Commerce. (Great applause.) For consuls are not alone agents of commerce. They have also important political functions. They have duties to perform in connection not only with shipping and seamen, with the authentication of documents, and with notarial acts, but also with the issuance of passports, and with the protection of citizens and their property abroad, as, for example, in Mexico and China at the present moment. Sometimes their position is semi-diplomatic, and in various countries they discharge judicial functions. Neither in the case of consuls nor in that of diplomatic representatives is it possible definitely to separate their commercial from their political activities. The tendency is on the contrary towards the closer identification of these functions. In the French foreign office, which pursues commercial questions with great energy, persistence and intelligence, the commercial department, which formerly maintained a separate existence, has been merged with the political, under the supervision of the Political Director.

Our diplomatic representatives and our consuls constitute together our foreign service. Their interests are not diverse, but are co-operative; and as the complementary parts of an entire and harmonious organization for the promotion and conservation of our interests abroad, they are necessarily under the supervision and control of our foreign office, the Department of State, which, as the special guardian of our external affairs, must ever exercise a watchful care over our commercial interests and particularly over the development and extension of our export trade. (Applause.)

THE CRANE PRESS.

COLUMBIA UNIVERSITY LIBRARIES

This book is due on the date indicated below, or at the expiration of a definite period after the date of borrowing, as provided by the library rules or by special arrangement with the Librarian in charge.

DATE BORROWED	DATE DUE	DATE BORROWED	DATE DUE
	FEB 28 [illegible]		

308
Moore
Diplomacy and its relation to foreign trade
FEB 14 1940
2
Box 99
Stanford
572 v. 187 [illegible]

MSH 22013

END OF
TITLE